

The complaint

Mr T complains that Clydesdale Financial Services Limited trading as Barclays Partner Finance ('BPF') acted unfairly and unreasonably by (1) being party to an unfair credit relationship with him under Section 140A of the Consumer Credit Act 1974 (as amended) (the 'CCA') and (2) deciding against paying a claim under Section 75 of the CCA.

Background to the complaint

Mr T was the member of a timeshare provider (the 'Supplier'), having purchased number of products from it previously. But the product at the centre of this complaint is his membership of a timeshare that I'll call the 'Fractional Club', which he bought on 2 February 2012. To help pay for the membership, Mr T took out a loan of £9,191 with BPF.

Through a professional representative, Mr T complained to BPF on 15 November 2022 that the Supplier had misrepresented the Fractional Club membership in a number of ways, giving him a claim against BPF under Section 75 of the CCA. He was also concerned that the loan had been brokered by an unauthorised credit intermediary.

Mr T also complained that the credit relationship between him and BPF was unfair to him under Section 140A of the CCA. But by way of a separate decision, I have explained that we are unable to consider that aspect of the complaint as it was raised outside of the time limits within the rules that govern us.

As BPF didn't respond to Mr T's complaint, he referred it to us. It was reviewed by an Investigator, who did not recommend that it be upheld.

Mr T didn't accept our Investigator's view, so the matter was passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The Section 75 claim

As both sides may already know, a claim against BPF under Section 75 essentially mirrors the claim Mr T could make against the Supplier. Certain conditions must be met if this protection is engaged – which are set out in the CCA. BPF does not dispute that the relevant conditions are met in this complaint but, as set out above, it did not respond to the claim or complaint.

There are, though, certain time limits that apply – and I think these mean Mr T's claim would've been time-barred.

The Limitation Act 1980 sets out limitation periods, or time limits, for bringing various types of legal claim. For a claim based on contract, it's not generally possible to start court action

more than six years after the cause of action arose. If a claim is brought too late, the respondent is likely to have a complete defence to the claim on that basis.

For claims relating to misrepresentation, the time limit would typically be six years from the date the claimant suffers damage as a result of the misrepresentation. For example, entering into a contract – and incurring liabilities – when they would otherwise not have done.

Mr T's claim under Section 75 is that but for the Supplier's various alleged misrepresentations, he wouldn't have purchased the timeshare membership (and, therefore, entered into the related loan with BPF). So it is the date on which he entered into those agreements that his cause of action arose, meaning he had six years from that date within which to bring this claim.

Mr T purchased the membership on 2 February 2012. He raised his Section 75 claim on 15 November 2022 – more than six years later. So I think BPF had a complete defence to the claim, having been raised outside of the six-year statutory limit.

That being the case, I don't think there is any basis on which I could fairly or reasonably require BPF to take any action in response to Mr T's claim.

The credit intermediary

In addition to claims under Section 75 and Section 140a of the CCA, it is also argued that Mr T's loan with BPF was arranged by an unauthorised credit broker – the upshot of which is to suggest that BPF wasn't permitted to enforce its rights under the credit agreement. However, it looks to me like Mr T knew, amongst other things, how much he was borrowing and repaying each month, who he was borrowing from and that he was borrowing money to pay for Fractional Club membership. And as the lending doesn't look like it was unaffordable for him, even if the loan was arranged by a broker that didn't have the necessary permission to do so (which I make no formal finding on), I can't see why that led to Mr T suffering a financial loss. And with that being the case, I'm not persuaded that it would be fair or reasonable to tell BPF to compensate him, even if the loan wasn't arranged properly.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 March 2026.

Ben Jennings
Ombudsman